

February 15, 2007

Chairman Walt McNutt  
House Natural Resources Committee  
Capitol Station  
Helena, MT 59620



Holcim (US) Inc.  
4070 Trident Road  
Three Forks, MT 59752

Phone 406 285 3241  
Fax 406 285 3100  
www.holcim.com/us

EXHIBIT 13  
DATE 2-19-07  
HB 408

Dear Chairman McNutt:

In the course of the hearing on HB 408 conducted by the House Natural Resources Committee on February 12, 2007, the sponsor made reference to Holcim's not paying for the EIS conducted in connection with its pending application for a modification to its air permit to allow use of TDF. So that the matter may be clear, Holcim requests that the attached letter from DEQ's Chief Legal Counsel, John North, to Holcim of February 18, 2005, be included in the Committee's record.

Under Montana law at the time of Holcim's application, the EIS cost responsibility of a permit applicant was strictly limited by statute. During that period, some applicants made voluntary additional payments to the DEQ or consultants in order to expedite work. It is correct that Holcim did not "volunteer" additional financing for an EIS beyond what the law provided. At no time, however, did Holcim pay any less than the law required. As Mr. North's letter confirms, Holcim made full payment of the amount DEQ determined was due: "This fully satisfies Holcim's fee obligation for preparation of the environmental impact statement." Holcim then and subsequently has cooperated fully with the DEQ in connection with its permit application, including paying for the collection and provision of much of the additional data sought by DEQ in connection with the EIS process --- many costs which would otherwise have been incurred by DEQ. Both Holcim and DEQ have incurred substantial independent costs in connection with the EIS and application process.

In 2005, the Montana Legislature substantially amended the MEPA fee law, shifting additional EIS cost responsibility to prospective applicants, but also adding procedural safeguards to assure that costs were not unnecessarily expanded without consultation, and in some cases requiring consent by the applicant for additional costs. It should be noted for the record that, contrary to the possible implication of some testimony, Holcim cooperated actively with the DEQ and other parties in crafting that specific legislation and supported the enactment of that revised fee law by the Legislature.

While Holcim believes that the subject of HB 408 should not properly include a debate of Holcim's permit application, since these points were addressed before the Committee, Holcim appreciates the opportunity to clarify the record.

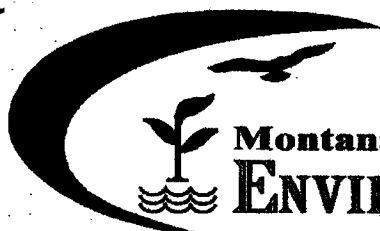
Sincerely,

A handwritten signature in black ink, appearing to read 'Eric Ervin'.

Eric Ervin  
Plant Manager  
Holcim (US) Inc. - Trident Plant

Attachment:

cc: Nicole Prokop, Energis LLC  
Ned Pettit, Holcim (US) Inc.  
Don Quander, Holland & Hart LLC



Montana Department of  
**ENVIRONMENTAL QUALITY**

Brian Schweitzer, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • [www.deq.mt.gov](http://www.deq.mt.gov)

February 18, 2005

Mr. Ralph Denoski  
Plant Manager  
Holcim Trident Plant  
4070 Trident Road  
Three Forks, Montana 59752

Dear Mr. Denoski:

In my August 5, 2004, letter to Charles Hansberry, I indicated that the Department had estimated that the cost of acquiring the data and information necessary to prepare the EIS for Holcim's application to burn tires at its Trident facility was \$39,500. In my letter, the Department indicated that Holcim could pay the \$39,500 in lieu of submitting a detailed, notarized statement of the estimated cost of the project. The Department agreed to waive the filing of the notarized statement because it has legal authority to charge only for the estimated costs of acquiring data and information. In addition, Holcim and Department permitting personnel had indicated that the cost of Holcim's facility would be \$1 million or less, which would limit the data and information collection costs that the Department could legally collect to \$20,000.

By this letter the Department confirms that it has received Holcim's payment of \$39,500 as payment for the Department's estimated cost of gathering data and information. This fully satisfies Holcim's fee obligation for preparation of the environmental impact statement.

Sincerely,

John F. North  
Chief Legal Counsel

cd: Don Quander  
Dave Klemp  
Tom Ellerhoff

